

SCHEDULES

SCHEDULE 4 **U.K.**

Section 24

CROSS-BORDER GROUP RELIEF

PART 1 **U.K.**

CONSEQUENTIAL AMENDMENTS

CTA 2010

- 1 (1) CTA 2010 is amended as follows.
 - (2) Omit section 129(3).
 - (3) Omit sections 135 and 136 together with the heading before section 135.
 - (4) In section 137(1) (deduction from total profits), omit “or 135”.
 - (5) In section 142 (meaning of “the overlapping period”)—
 - (a) in subsection (1) omit the words from “or” to the end;
 - (b) in subsection (3) for “consortium condition 3” to the end substitute “or, consortium condition 3.”
 - (6) In section 168 (meaning of “the relevant accounting period”), omit subsections (2) and (3).
 - (7) In section 179(3) (cases in which surrendering or claimant company is non-UK resident), omit the words from “But” to the end.
 - (8) In section 188(1) (other definitions)—
 - (a) in the definition of “the claimant company” omit the words from “or” to the end;
 - (b) in the definition of “the claim period” omit the words from “or” to the end;
 - (c) in the definition of “the surrenderable amounts” omit the words from “or” to the end;
 - (d) in the definition of “surrendering company” omit the words from “or” to the end;
 - (e) in the definition of “the surrender period” omit the words from “or” to the end.
 - (9) In section 269DB (meaning of “non-banking group relief”)—
 - (a) in subsection (1) omit paragraph (b) and the “or” preceding it;
 - (b) omit subsections (2) to (8).
 - (10) In Schedule 4 (index of defined expressions) omit the following entries—
 - (a) “EEA accounting period”;

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- (b) “EEA amount”;
- (c) “EEA related company”;
- (d) “EEA territory”.

FA 2013

- 2 Omit section 30 of FA 2013 (loss relief surrenderable by non-UK resident established in EEA state).

Taxes (Amendments) (EU Exit) Regulations 2019 (S.I. 2019/689)

- 3 In the Taxes (Amendments) (EU Exit) Regulations 2019, omit regulation 17(2), (3) and (4).

PART 2 U.K.

COMMENCEMENT

- 4 (1) The amendments made by section 24(3) and paragraph 1 of this Schedule, and section 24(5) and paragraph 3 of this Schedule so far as they relate to those amendments, have effect—
 - (a) in relation to any accounting period of a claimant company beginning on or after the commencement day, and
 - (b) in relation to any period (“the loss period”) beginning on or after the commencement day in which any loss or other amount arises to a non-UK resident company.
- (2) If an accounting period (a “straddling period”) of a claimant company begins before the commencement day and ends on or after that day—
 - (a) so much of the straddling period as falls before the commencement day, and
 - (b) so much of the straddling period as falls on or after that day,
 are to be treated as separate periods for the purposes of the provisions mentioned in sub-paragraph (1).
- (3) The amount of the claimant company’s profits for the straddling period is to be attributed, on an apportionment in accordance with this paragraph, to those separate accounting periods.
- (4) If the loss period of the non-UK resident company begins before the commencement day and ends on or after that day—
 - (a) so much of the loss period as falls before the commencement day, and
 - (b) so much of the loss period as falls on or after that day,
 are to be treated as separate periods for the purposes of the provisions mentioned in sub-paragraph (1).
- (5) The amount of the loss or other amount of the non-resident company for the loss period is to be attributed, on an apportionment in accordance with this paragraph, to those separate accounting periods.
- (6) Any apportionment under this paragraph is to be made—
 - (a) on a time basis according to the respective lengths of the periods, or

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- (b) if that method produces a result that is unjust or unreasonable, on a just and reasonable basis.
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 - (1) The amendments made by section 24(2) and paragraph 2 of this Schedule, and section 24(5) and paragraph 3 of this Schedule so far as they relate to those amendments, have effect in relation to accounting periods beginning on or after the commencement day.
 - (2) If an accounting period (a “straddling period”) of a surrendering company begins before the commencement day and ends on or after that day—
 - (a) so much of the straddling period as falls before the commencement day, and
 - (b) so much of the straddling period as falls on or after that day,are to be treated as separate periods for the purposes of the provisions mentioned in sub-paragraph (1).
 - (3) Any apportionment under this paragraph is to be made—
 - (a) on a time basis according to the respective lengths of the periods, or
 - (b) if that method produces a result that is unjust or unreasonable, on a just and reasonable basis.
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 - (1) The amendments made by section 24(4), and section 24(5) and paragraph 3 of this Schedule so far as they relate to those amendments, have effect in relation to accounting periods beginning on or after the commencement day.
 - (2) If an accounting period (a “straddling period”) of a surrendering company begins before the commencement day and ends on or after that day—
 - (a) so much of the straddling period as falls before the commencement day, and
 - (b) so much of the straddling period as falls on or after that day,are to be treated as separate periods for the purposes of the provisions mentioned in sub-paragraph (1).
 - (3) Where the surrendering company surrenders any amount of loss that has been carried forward to the straddling period, it may determine how much (if any) of the loss is surrendered in relation to each of the separate accounting periods.
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 - In this Part—
 - “claimant company” has the meaning given by section 135(2) of CTA 2010;
 - “commencement day” means 27 October 2021;
 - “surrendering company” has the meaning given by section 99(7) of CTA 2010.

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